UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF TEXAS
MARSHALL DIVISION

Site Update Solutions LLC, Plaintiff,	§	
vs.	§	Civil Action No. 2:10-cv-151
Accor North America, Inc.; Adobe Systems Incorporated; Amazon.com, Inc.; Aweber Systems, Inc.; CBS Corp.; CDW LLC; Choice Hotels International, Inc.; Daily News L.P.; Enterprise Rent-A-Car Company; Facebook, Inc.; Gannett Satellite Information Network, Inc.; HSN, Inc.; Intuit, Inc.; Jason's Deli Corp.; Linkedin Corporation; Monster Worldwide, Inc.; Myspace, Inc.; NBC Universal, Inc.; Newegg, Inc.; Nissan North America, Inc.; Office Max, Inc.; Overstock.com, Inc.; Salesforce.com, Inc.; Sears, Roebuck and Co.; Staples, Inc.; Starwood Hotels & Resorts Worldwide, Inc.; Target Corporation; Thomson Reuters Holdings, Inc.; Ticketmaster Entertainment, Inc.; Time, Inc.; Turner Broadcasting Systems, Inc.; Wal-Mart Stores, Inc.; The Walt Disney Company; and Wyndham Worldwide, Inc., Defendants.	§	**JURY TRIAL DEMANDED**

CHOICE HOTELS INTERNATIONAL, INC.'S ANSWER TO PLAINTIFF'S FIRST AMENDED COMPLAINT

Defendant Choice Hotels International, Inc. ("Choice") by and through undersigned counsel, hereby Answer Plaintiff Site Update Solutions LLC's ("Site Update Solutions") First Amended Complaint filed June 25, 2010 (the "Amended Complaint"). All paragraph references refer to the corresponding paragraph in the Amended Complaint.

THE PARTIES

1. Choice is without knowledge or information sufficient to form a belief as to the averments of Paragraph 1, and therefore denies same.

2. Choice is without knowledge or information sufficient to form a belief as to the averments of Paragraph 2, and therefore denies same.

3. Choice is without knowledge or information sufficient to form a belief as to the averments of Paragraph 3, and therefore denies same.

4. Choice is without knowledge or information sufficient to form a belief as to the averments of Paragraph 4, and therefore denies same.

5. Choice is without knowledge or information sufficient to form a belief as to the averments of Paragraph 5, and therefore denies same.

6. Choice is without knowledge or information sufficient to form a belief as to the averments of Paragraph 6, and therefore denies same.

7. Admitted.

8. Choice is without knowledge or information sufficient to form a belief as to the averments of Paragraph 8, and therefore denies same.

9. Choice is without knowledge or information sufficient to form a belief as to the averments of Paragraph 9, and therefore denies same.

10. Choice is without knowledge or information sufficient to form a belief as to the averments of Paragraph 10, and therefore denies same.

11. Choice is without knowledge or information sufficient to form a belief as to the averments of Paragraph 11, and therefore denies same.

12. Choice is without knowledge or information sufficient to form a belief as to the averments of Paragraph 12, and therefore denies same.

13. Choice is without knowledge or information sufficient to form a belief as to the averments of Paragraph 13, and therefore denies same.

14. Choice is without knowledge or information sufficient to form a belief as to the averments of Paragraph 14, and therefore denies same.

15. Choice is without knowledge or information sufficient to form a belief as to the averments of Paragraph 15, and therefore denies same.

16. Choice is without knowledge or information sufficient to form a belief as to the averments of Paragraph 16, and therefore denies same.

17. Choice is without knowledge or information sufficient to form a belief as to the averments of Paragraph 17, and therefore denies same.

18. Choice is without knowledge or information sufficient to form a belief as to the averments of Paragraph 18, and therefore denies same.

19. Choice is without knowledge or information sufficient to form a belief as to the averments of Paragraph 19, and therefore denies same.

20. Choice is without knowledge or information sufficient to form a belief as to the averments of Paragraph 20, and therefore denies same.

21. Choice is without knowledge or information sufficient to form a belief as to the averments of Paragraph 21, and therefore denies same.

22. Choice is without knowledge or information sufficient to form a belief as to the averments of Paragraph 22, and therefore denies same.

23. Choice is without knowledge or information sufficient to form a belief as to the averments of Paragraph 23, and therefore denies same.

24. Choice is without knowledge or information sufficient to form a belief as to the averments of Paragraph 24, and therefore denies same.

25. Choice is without knowledge or information sufficient to form a belief as to the averments of Paragraph 25, and therefore denies same.

26. Choice is without knowledge or information sufficient to form a belief as to the averments of Paragraph 26, and therefore denies same.

27. Choice is without knowledge or information sufficient to form a belief as to the averments of Paragraph 27, and therefore denies same.

28. Choice is without knowledge or information sufficient to form a belief as to the averments of Paragraph 28, and therefore denies same.

29. Choice is without knowledge or information sufficient to form a belief as to the averments of Paragraph 29, and therefore denies same.

30. Choice is without knowledge or information sufficient to form a belief as to the averments of Paragraph 30, and therefore denies same.

31. Choice is without knowledge or information sufficient to form a belief as to the averments of Paragraph 31, and therefore denies same.

32. Choice is without knowledge or information sufficient to form a belief as to the averments of Paragraph 32, and therefore denies same.

33. Choice is without knowledge or information sufficient to form a belief as to the averments of Paragraph 33, and therefore denies same.

34. Choice is without knowledge or information sufficient to form a belief as to the averments of Paragraph 34, and therefore denies same.

35. Choice is without knowledge or information sufficient to form a belief as to the averments of Paragraph 35, and therefore denies same.

36. Choice is without knowledge or information sufficient to form a belief as to the averments of Paragraph 36, and therefore denies same.

JURISDICTION AND VENUE

37. Paragraph 37 contains conclusions of law and not averments of fact to which an answer is required, but insofar as an answer may be deemed required, Choice admits that based only on the allegations in the Complaint, this action likely arises under the patent laws of the United States, 35 U.S.C. § 1, *et seq*. and that under 28 U.S.C. § 1338(a), the Court has original jurisdiction over civil actions arising under the patent laws.

38. Paragraph 38 contains conclusions of law and not averments of fact to which an answer is required, but insofar as an answer may be deemed required, Choice denies venue is proper in this Court under 28 U.S.C. § 1400(b).

PATENT INFRINGEMENT COUNT

39. Choice admits that United States Reissue Patent No. RE 40,683 (the "RE '683 patent") states as its title "Process for Maintaining Ongoing Registration for Pages on a Given

Search Engine" and that Exhibit A to the Complaint appears to be a copy of the RE '683 patent. Choice admits that the face of the RE '683 patent appears to indicate that the patent issued on March 24, 2009. Choice is without knowledge or information sufficient to form a belief as to the remaining averments of Paragraph 39, and therefore denies same

40. Paragraph 40 contains conclusions of law and not averments of fact to which an answer is required, but insofar as an answer may be deemed required, Choice admits that 35 U.S.C. § 282 states that there is a presumption of validity of an issued patent. Choice is without knowledge or information sufficient to form a belief as to the remaining averments of Paragraph 40, and therefore denies same

41. Choice admits that Alan Perkins appears to be listed on the face of the RE '683 patent as an inventor. Choice is without knowledge or information sufficient to form a belief as to the remaining averments of Paragraph 41, and therefore denies same.

42. Choice is without knowledge or information sufficient to form a belief as to the averments of Paragraph 42, and therefore denies same.

43. Choice is without knowledge or information sufficient to form a belief as to the averments of Paragraph 43, and therefore denies same.

44. Choice is without knowledge or information sufficient to form a belief as to the averments of Paragraph 44, and therefore denies same.

45. Choice is without knowledge or information sufficient to form a belief as to the averments of Paragraph 45, and therefore denies same.

46. Choice is without knowledge or information sufficient to form a belief as to the averments of Paragraph 46, and therefore denies same.

47. Choice is without knowledge or information sufficient to form a belief as to the averments of Paragraph 47, and therefore denies same.

48. Choice denies that it has directly or indirectly infringed any valid, enforceable, and properly construed claim of the RE ’683 patent. Choice specifically denies that any action attributable to Choice can properly result in liability under section 35 U.S.C. 271(a), (b), and/or (c). Choice denies that it is using, importing, offering to sell, selling, or inducing others to use any products or systems that infringe any valid, enforceable, and properly construed claim of the RE ’683 patent. Choice denies all other allegations of Paragraph 48.

49. Choice is without knowledge or information sufficient to form a belief as to the averments of Paragraph 49, and therefore denies same.

50. Choice is without knowledge or information sufficient to form a belief as to the averments of Paragraph 50, and therefore denies same.

51. Choice is without knowledge or information sufficient to form a belief as to the averments of Paragraph 51, and therefore denies same.

52. Choice is without knowledge or information sufficient to form a belief as to the averments of Paragraph 52, and therefore denies same.

53. Choice is without knowledge or information sufficient to form a belief as to the averments of Paragraph 53, and therefore denies same.

54. Choice is without knowledge or information sufficient to form a belief as to the averments of Paragraph 54, and therefore denies same.

55. Choice is without knowledge or information sufficient to form a belief as to the averments of Paragraph 55, and therefore denies same.

56. Choice is without knowledge or information sufficient to form a belief as to the averments of Paragraph 56, and therefore denies same.

57. Choice is without knowledge or information sufficient to form a belief as to the averments of Paragraph 57, and therefore denies same.

58. Choice is without knowledge or information sufficient to form a belief as to the averments of Paragraph 58, and therefore denies same.

59. Choice is without knowledge or information sufficient to form a belief as to the averments of Paragraph 59, and therefore denies same.

60. Choice is without knowledge or information sufficient to form a belief as to the averments of Paragraph 60, and therefore denies same.

61. Choice is without knowledge or information sufficient to form a belief as to the averments of Paragraph 61, and therefore denies same

62. Choice is without knowledge or information sufficient to form a belief as to the averments of Paragraph 62, and therefore denies same.

63. Choice is without knowledge or information sufficient to form a belief as to the averments of Paragraph 63, and therefore denies same.

64. Choice is without knowledge or information sufficient to form a belief as to the averments of Paragraph 64, and therefore denies same.

65. Choice is without knowledge or information sufficient to form a belief as to the averments of Paragraph 65, and therefore denies same.

66. Choice is without knowledge or information sufficient to form a belief as to the averments of Paragraph 66, and therefore denies same.

67. Choice is without knowledge or information sufficient to form a belief as to the averments of Paragraph 67, and therefore denies same.

68. Choice is without knowledge or information sufficient to form a belief as to the averments of Paragraph 68, and therefore denies same.

69. Choice is without knowledge or information sufficient to form a belief as to the averments of Paragraph 69, and therefore denies same.

70. Choice is without knowledge or information sufficient to form a belief as to the averments of Paragraph 70, and therefore denies same.

71. Choice is without knowledge or information sufficient to form a belief as to the averments of Paragraph 71, and therefore denies same.

72. Choice is without knowledge or information sufficient to form a belief as to the averments of Paragraph 72, and therefore denies same.

73. Choice is without knowledge or information sufficient to form a belief as to the averments of Paragraph 73, and therefore denies same.

74. Choice is without knowledge or information sufficient to form a belief as to the averments of Paragraph 74, and therefore denies same.

75. Choice is without knowledge or information sufficient to form a belief as to the averments of Paragraph 75, and therefore denies same.

76. Choice is without knowledge or information sufficient to form a belief as to the averments of Paragraph 76, and therefore denies same.

77. Choice is without knowledge or information sufficient to form a belief as to the averments of Paragraph 77, and therefore denies same.

78. Choice denies that it has directly or indirectly infringed any valid, enforceable, and properly construed claim of the RE ’683 patent. Choice denies that Site Update Solutions is entitled to recover damages from Choice. With respect to allegations in Paragraph 78 related to parties other than Choice, Choice is without knowledge or information sufficient to form a belief as to the averments of Paragraph 78, and therefore denies same.

DEMAND FOR JURY TRIAL

79. Paragraph 79 is a demand for jury trial, which does not require an answer. Choice also demands a trial by jury of all issues triable in this action.

DEFENSES AND AFFIRMATIVE DEFENSES

80. The claims of the RE ’683 patent are invalid and/or unenforceable under one or more provisions of Title 35, United States Code, including without limitation, §§ 102, 103, and/or 112 thereof.

81. Choice has not committed any act that would give rise to liability for infringement of any properly construed, valid claim of the RE ’683 patent.

82. All or some of Site Update Solutions claims are barred by the doctrine of laches.

83. The Complaint fails to state a claim upon which relief can be granted.

84. The Complaint fails to state a claim upon which relief can be granted against Choice specifically because Choice does not engage in any actions or activities for which liability can arise under a claim of patent infringement of the RE ’683 patent.

85. Site Update Solutions asserted damages are limited by 35 U.S.C. § 287.

86. Venue is inappropriate in this Court.

87. Choice reserves the right to offer additional defenses that cannot now be articulated due to the need for further discovery regarding Plaintiff’s claims.

PRAYER FOR RELIEF

WHEREFORE, Choice prays for judgment in its favor and against Site Update Solutions as follows:

A. Plaintiff Site Update Solutions be denied all relief including specifically all requested monetary, equitable and injunctive relief, and take nothing;

B. Judgment be entered that Choice has not, and does not, infringe, directly or indirectly, any properly construed, valid claim of the RE ’683 patent;

C. Judgment be entered that the RE ’683 patent is invalid;

D. Judgment be entered that the RE ’683 patent is unenforceable.

E. This case be declared exceptional pursuant to 35 U.S.C. § 285 and that this Court award Choice the costs of this action, including reasonable attorneys’ fees and litigation expenses;

F. Choice be awarded such other and further relief as the Court deems just and proper.

DATED: July 14, 2010

Respectfully submitted,

/s/ *Michael C. Smith*
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Counsel for Choice Hotels International, Inc.

CERTIFICATE OF SERVICE

The undersigned hereby certifies that the following counsel of record have deemed to have consented to electronic service and are being served with a copy of this document via the Court's CM/ECF system per Local Rule CV-5(a)(3) on July 14, 2010.

/s/ *Michael C. Smith*
Michael C. Smith

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